

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY**  
**BOND FINANCING PROGRAM**  
**Meeting Date: July 26, 2011**  
*Request for Initial Resolution Extension*

Prepared by: *Jayne Feldmann*

<b>Applicant:</b>	Evergreen Oil, Inc. and/or its Affiliates	<b>Amount Requested:</b>	\$4,095,000
<b>Project</b>		<b>Application No.:</b>	00813 (SB)
<b>Location:</b>	Carson (Los Angeles County)	<b>Initial Resolution No.:</b>	08-07 Approved 08/27/08

**Summary.** Evergreen Oil, Inc. and/or its Affiliates (the “Company”) requests to extend Initial Resolution No. 08-07 for three years for an amount not to exceed \$4,095,000 to finance the acquisition of additional sites and the expansion of the Company’s current operating location in Carson to provide for greater processing and storage capacity. The Company is requesting an extension in order to permit completion of financing of the project.

**Borrower.** The Company was incorporated in California in December 1983. The Company operates a hazardous waste disposal facility combined with collection and local hauling.

Evergreen Oil, Inc. is owned 100% by Evergreen Environmental Holdings, Inc., a Nevada corporation, which in turn is owned by Evergreen Holdings, Inc., a Delaware corporation.

The principal stockholders of the Company are as follows:

Kinetics Holding MV	49.554%
Joanne & Jacob Voogd CRAT	48.563%
Various partners (Less than 3%)	<u>1.883%</u>
<b>Total:</b>	<b><u>100.000%</u></b>

**Legal Questionnaire.** The Staff has reviewed the Company’s responses to the questions contained in the Legal Status portion of the Application. No information was disclosed that raises questions concerning the financial viability or legal integrity of this applicant.

**Project Description.** Evergreen Oil, Inc. is a collector and processor of hazardous waste substances. The Company collects from its customers, and receives from others; used oil, used oil filters, oily waste water, water antifreeze, and the remnants of sumps and clarifiers. The Company recycles approximately 75% of these items. The solids are then transported to offsite landfills. The refined products are then sold for automotive and lube applications.

The project includes the purchase of three sites and the expansion of the Company’s current operation location in Carson to provide for greater processing and storage capacity. The project also includes the purchase of additional waste collection vehicles to facilitate the processing.

**Volume Cap Allocation.** The Company anticipates applying to the Authority for volume cap allocation second quarter 2012.

**Financing Details.** The Company anticipates the issuance of negotiated tax exempt bonds.

**Financing Team.**

**Underwriter:** Westhoff, Cone & Holmstedt

**Bond Counsel:** Orrick, Herrington & Sutcliffe

**Issuer's Counsel:** Office of the Attorney General

**Staff Recommendation.** Staff recommends approval of a three-year extension of Initial Resolution No. 08-07 for Evergreen Oil, Inc. and/or its Affiliates for an amount not to exceed \$4,095,000.

*Note: An Initial Resolution approval is not a commitment that the Board will approve a Final Resolution and bond financing of the proposed Project.*

Initial Resolution No. 08-07  
Application No. 813 (SB)

**EXTENSION  
OF INITIAL RESOLUTION TO ISSUE BONDS TO FINANCE  
SOLID WASTE DISPOSAL FACILITIES AND EQUIPMENT  
FOR EVERGREEN OIL, INC. AND/OR ITS AFFILIATES**

**JULY 26, 2011**

**WHEREAS**, on August 27, 2008, the California Pollution Control Financing Authority (“Authority”) adopted its Initial Resolution No. 08-07 (the “Initial Resolution”) for Evergreen Oil, Inc. and/or its affiliates (the “Company”) for the financing of the acquisition of land and buildings and construction, renovation, rehabilitation and equipping of facilities for the treatment and processing of solid and liquid waste including hazardous waste (the “Project”) as further described in Exhibit A attached thereto; and

**WHEREAS**, the Company has requested that the Initial Resolution be extended in order to permit completion of financing of the project described in the Initial Resolution;

**NOW, THEREFORE, BE IT RESOLVED** by the California Pollution Control Financing Authority as follows:

**Section 1.** The Authority finds and determines that the foregoing recitals are true and correct.

**Section 2.** The Initial Resolution shall remain in full force and effect until July 26, 2014 unless prior thereto the Authority specifically adopts a further resolution extending the effective date of the Initial Resolution. Such a further extension will be considered after receiving a specific request for such action from the Company, accompanied by such further information as the Authority may request.

**Section 3.** This Resolution shall take effect immediately upon its passage. Except as modified by Section 2, the Initial Resolution remains in full force and effect.